

**INSURANCE REGULATORY TRUST FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2005**

	December-05					September-05				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Policy	Quarter	Month	Market Value	Allocation	Policy	Quarter	FYTD	FY05	Ended	Ended
				Net ROR	Net ROR				Net ROR	Net	Net	6/30/2005	6/30/2005
												Net	Net
<b>LARGE CAP DOMESTIC EQUITY</b>													
<i>Structured Growth</i>													
Los Angeles Capital	32,362	2.4%	2.3%	3.06%	0.85%	70,117	2.3%	2.3%	5.46%	8.68%	7.56%	N/A	N/A
<b>Total Structured Growth</b>	<b>32,362</b>	<b>2.4%</b>	<b>2.3%</b>	<b>3.06%</b>	<b>0.85%</b>	<b>70,117</b>	<b>2.3%</b>	<b>2.3%</b>	<b>5.46%</b>	<b>8.68%</b>	<b>7.56%</b>	<b>7.46%</b>	<b>-9.18%</b>
<i>Russell 1000 Growth</i>				2.98%	-0.31%				4.01%	7.11%	1.68%	7.26%	-10.36%
<i>Structured Value</i>													
<b>LSV</b>	<b>31,348</b>	<b>2.3%</b>	<b>2.3%</b>	<b>1.52%</b>	<b>1.18%</b>	<b>70,601</b>	<b>2.3%</b>	<b>2.3%</b>	<b>5.06%</b>	<b>6.66%</b>	<b>18.35%</b>	<b>14.73%</b>	<b>14.78%</b>
<i>Russell 1000 Value</i>				1.27%	0.60%				3.88%	5.20%	14.06%	11.00%	6.55%
<i>Russell 1000 Enhanced Index</i>													
<b>LA Capital</b>	<b>64,286</b>	<b>4.7%</b>	<b>4.5%</b>	<b>2.29%</b>	<b>1.11%</b>	<b>140,041</b>	<b>4.6%</b>	<b>4.5%</b>	<b>6.45%</b>	<b>8.89%</b>	<b>7.93%</b>	<b>N/A</b>	<b>N/A</b>
<i>Russell 1000</i>				2.12%	0.13%				3.95%	6.15%	7.92%	N/A	N/A
<i>S&amp;P 500 Enhanced Index</i>													
<b>Westridge</b>	<b>66,870</b>	<b>4.9%</b>	<b>4.5%</b>	<b>2.10%</b>	<b>0.05%</b>	<b>135,590</b>	<b>4.5%</b>	<b>4.5%</b>	<b>3.64%</b>	<b>5.81%</b>	<b>6.58%</b>	<b>N/A</b>	<b>N/A</b>
<i>S&amp;P 500</i>				2.09%	0.03%				3.60%	5.77%	6.32%	N/A	N/A
<i>Index</i>													
State Street	20,520			2.07%	0.03%	44,920			3.58%	5.72%	6.27%	8.22%	-2.45%
<b>Total Index</b>	<b>20,520</b>	<b>1.5%</b>	<b>1.5%</b>	<b>2.07%</b>	<b>0.03%</b>	<b>44,920</b>	<b>1.5%</b>	<b>1.5%</b>	<b>3.58%</b>	<b>5.72%</b>	<b>6.27%</b>	<b>8.22%</b>	<b>-2.45%</b>
<i>S&amp;P 500</i>				2.09%	0.03%				3.60%	5.77%	6.32%	8.28%	-2.37%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>215,385</b>	<b>15.7%</b>	<b>15.0%</b>	<b>2.20%</b>	<b>0.64%</b>	<b>461,269</b>	<b>15.1%</b>	<b>15.0%</b>	<b>4.97%</b>	<b>7.27%</b>	<b>8.89%</b>	<b>9.59%</b>	<b>-0.28%</b>
<i>S&amp;P 500</i>				2.09%	0.03%				3.60%	5.77%	6.32%	8.28%	-2.37%
<b>SMALL CAP DOMESTIC EQUITY</b>													
<i>Manager-of-Managers</i>													
<b>SEI</b>	<b>72,778</b>	<b>5.3%</b>	<b>5.0%</b>	<b>0.95%</b>	<b>-0.01%</b>	<b>153,233</b>	<b>5.0%</b>	<b>5.0%</b>	<b>5.46%</b>	<b>6.47%</b>	<b>9.32%</b>	<b>13.32%</b>	<b>N/A</b>
<i>Russell 2000 + 200bp</i>				1.64%	-0.29%				5.21%	6.93%	11.64%	15.07%	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>72,778</b>	<b>5.3%</b>	<b>5.0%</b>	<b>0.95%</b>	<b>-0.01%</b>	<b>153,233</b>	<b>5.0%</b>	<b>5.0%</b>	<b>5.46%</b>	<b>6.47%</b>	<b>9.32%</b>	<b>13.32%</b>	<b>5.50%</b>
<i>Russell 2000</i>				1.13%	-0.46%				4.69%	5.88%	9.45%	12.81%	5.71%
<b>INTERNATIONAL EQUITY</b>													
<i>Large Cap - Active</i>													
Capital Guardian	63,333	4.6%	4.0%	9.64%	6.23%	128,292	4.2%	4.0%	12.11%	22.92%	10.32%	7.44%	-3.80%
LSV	56,240	4.1%	4.0%	4.29%	4.30%	129,248	4.2%	4.0%	11.20%	15.98%	N/A	N/A	N/A
<b>Total Large Cap - Active</b>	<b>119,573</b>	<b>8.7%</b>	<b>8.0%</b>	<b>6.96%</b>	<b>5.28%</b>	<b>257,540</b>	<b>8.5%</b>	<b>8.0%</b>	<b>11.67%</b>	<b>19.43%</b>	<b>13.23%</b>	<b>12.39%</b>	<b>7.26%</b>
<i>MSCI EAFE - 50% Hedged</i>				5.84%	4.68%				11.07%	17.55%	14.41%	8.84%	-2.61%
<i>Small Cap - Value</i>													
<b>Lazard</b>	<b>14,043</b>	<b>1.0%</b>	<b>1.0%</b>	<b>3.01%</b>	<b>6.28%</b>	<b>30,891</b>	<b>1.0%</b>	<b>1.0%</b>	<b>9.94%</b>	<b>13.25%</b>	<b>18.18%</b>	<b>N/A</b>	<b>N/A</b>
<i>Citigroup Broad Market Index &lt; \$2BN</i>				8.94%	7.40%				12.05%	22.06%	21.33%	N/A	N/A
<i>Small Cap - Growth</i>													
<b>Vanguard</b>	<b>14,500</b>	<b>1.1%</b>	<b>1.0%</b>	<b>4.92%</b>	<b>6.67%</b>	<b>31,256</b>	<b>1.0%</b>	<b>1.0%</b>	<b>10.41%</b>	<b>15.84%</b>	<b>24.11%</b>	<b>N/A</b>	<b>N/A</b>
<i>Citigroup Broad Market Index &lt; \$2BN</i>				8.94%	7.40%				12.05%	22.06%	21.33%	N/A	N/A
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>148,117</b>	<b>10.8%</b>	<b>10.0%</b>	<b>6.37%</b>	<b>5.50%</b>	<b>319,687</b>	<b>10.5%</b>	<b>10.0%</b>	<b>11.37%</b>	<b>18.47%</b>	<b>15.34%</b>	<b>10.62%</b>	<b>-2.10%</b>
<i>MSCI EAFE - 50% Hedged</i>				5.84%	4.68%				11.07%	17.55%	14.41%	8.84%	-2.61%
<b>DOMESTIC FIXED INCOME</b>													
<i>Core Bond</i>													
<b>Western Asset</b>	<b>162,022</b>	<b>11.8%</b>	<b>11.7%</b>	<b>0.28%</b>	<b>1.13%</b>	<b>359,587</b>	<b>11.8%</b>	<b>11.7%</b>	<b>-0.41%</b>	<b>-0.13%</b>	<b>7.14%</b>	<b>7.36%</b>	<b>8.59%</b>
<i>Lehman Aggregate</i>				0.59%	0.95%				-0.67%	-0.08%	6.80%	5.75%	7.40%
<i>Index</i>													
<b>Bank of ND</b>	<b>145,773</b>	<b>10.6%</b>	<b>11.7%</b>	<b>0.44%</b>	<b>0.84%</b>	<b>332,473</b>	<b>10.9%</b>	<b>11.7%</b>	<b>-0.84%</b>	<b>-0.41%</b>	<b>4.08%</b>	<b>5.66%</b>	<b>7.26%</b>
<i>Lehman Gov/Credit (1)</i>				0.60%	0.95%				-0.96%	-0.37%	4.80%	5.82%	7.35%
<i>BBB Average Quality</i>													
<b>Wells Capital (formerly Strong)</b>	<b>161,685</b>	<b>11.8%</b>	<b>11.7%</b>	<b>0.58%</b>	<b>1.06%</b>	<b>355,504</b>	<b>11.7%</b>	<b>11.7%</b>	<b>-1.05%</b>	<b>-0.48%</b>	<b>9.14%</b>	<b>9.20%</b>	<b>N/A</b>
<i>Lehman US Credit BAA</i>				0.39%	1.03%				-0.97%	-0.58%	8.60%	9.42%	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>469,480</b>	<b>34.2%</b>	<b>35.0%</b>	<b>0.42%</b>	<b>1.03%</b>	<b>1,047,564</b>	<b>34.4%</b>	<b>35.0%</b>	<b>-0.76%</b>	<b>-0.35%</b>	<b>6.14%</b>	<b>6.59%</b>	<b>7.79%</b>
<i>Lehman Gov/Credit</i>				0.60%	0.95%				-0.96%	-0.37%	7.26%	6.41%	7.70%
<b>CASH EQUIVALENTS</b>													
<b>Bank of ND</b>	<b>467,713</b>	<b>34.1%</b>	<b>35.0%</b>	<b>1.07%</b>	<b>0.42%</b>	<b>1,063,988</b>	<b>34.9%</b>	<b>35.0%</b>	<b>0.93%</b>	<b>2.01%</b>	<b>2.46%</b>	<b>1.74%</b>	<b>2.68%</b>
<i>90 Day T-Bill</i>				0.92%	0.32%				0.83%	1.75%	2.15%	1.55%	2.62%
<b>TOTAL INSURANCE REGULATORY TRUST</b>	<b>1,373,472</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.04%</b>	<b>0.75%</b>	<b>3,045,742</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.26%</b>	<b>3.32%</b>	<b>5.34%</b>	<b>7.22%</b>	<b>3.98%</b>
<i>POLICY TARGET BENCHMARK</i>				1.50%	0.90%				1.82%	3.35%	5.43%	5.94%	3.36%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.